



CALIFORNIA STATE PUBLIC WORKS BOARD

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ NINTH FLOOR ■ SACRAMENTO CA ■ 95814-3706 ■ (916) 445-9694

Agenda with Analysis STATE PUBLIC WORKS BOARD

Friday, April 13, 2018 at 10:00 a.m.
in Room 113, State Capitol, Sacramento, California

I.	Roll Call		
II.	Minutes	Page	2
III.	Consent Items	Page	3
IV.	Action Items	Page	15
V.	Other Business	Page	24
VI.	Reportables	Page	24

Pursuant to section 11125 of the Government Code, notice of all Board meetings will be given at least ten days in advance and such notice must include a copy of the agenda. Members of the Public may address the Board prior to it taking action on any matter in the agenda.

This notice and the Board agenda for the current month are available on the Internet at: <http://www.spwb.ca.gov>.

Individuals who need disability-related accommodation, including auxiliary aids for effective participation at this public meeting are invited to make their requests and preferences known to Marie Magdaleno at (916) 445-9694 or e-mail to marie.magdaleno@dof.ca.gov, five days prior to the meeting.

MINUTES

Consider approving the minutes from the March 9, 2018 and March 26, 2018 meetings.

Staff have reviewed the minutes from the March 9, 2018 and March 26, 2018 meetings and recommend approval of those meeting minutes.

Staff Recommendation: **Approve minutes from the March 9, 2018 and March 26, 2018 meetings.**

CONSENT ITEM

CONSENT ITEM—1

JUDICIAL COUNCIL OF CALIFORNIA (0250)
SANTA CLARA HALL OF JUSTICE EAST AND WEST
SANTA CLARA COUNTY

Authority: Trial Court Facilities Act of 2002, Chapter 1082, Statutes of 2002, commencing with Section 70301 of the Government Code, as amended

Consider accepting real property through a transfer of title

CONSENT ITEM

STAFF ANALYSIS ITEM—1

Judicial Council of California
Santa Clara Hall of Justice East and West
Santa Clara County

Action Requested

If approved, the requested action will authorize the acceptance of real property through a transfer of title.

Scope Description

This project is within scope. The requested action will authorize the acceptance of a transfer of title of the Santa Clara Hall of Justice East and West (Court Facility) located at 190-200 West Hedding Street, San Jose, California. The transfer is pursuant to that certain Transfer Agreement between the Judicial Council of California (Council) and the County of Santa Clara (County), for the Transfer of Responsibility for Court Facility, dated November 4, 2008 ("Transfer Agreement"). The Transfer Agreement had provided that the Council would take title to the Court Facility after the County satisfied its obligation to pay off bond debt that encumbered the Court Facility. The County has satisfied the bond debt and is now ready to convey the property to the state.

The Court Facility is situated on approximately 1.95 acres and is improved with two multi-story buildings and basements constructed in 1988, allocated parking and associated landscaping. This will be a no-cost transfer of title; the Council has been responsible for the funding and operation of the Court Facility. The Superior Court occupies the entire facility; therefore, the County is not entitled to any compensation.

The County approved the Transfer Agreement to transfer title and responsibility of the Court Facility to the state on November 4, 2008, and authorized the Chairman of the County Board of Supervisors to execute the Transfer Agreement, Grant Deed, and any other documents necessary for the transfer of responsibility and title to the Court Facility to the state.

The Transfer Agreement requires that delivery of title to the property be free and clear of any mortgages or liens. Concurrently with the transfer of title to the Court Facility, the Council will purchase an owner's policy of title insurance for the Court Facility from the title company.

The County has agreed to indemnify the state against any known conditions that existed in, on, or under the real property during the period of their ownership.

The County has agreed to indemnify the Council for any liability imposed on the Council pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. Sec. 9601 et seq.), or related provisions for conditions at the time of transfer whether known or not known that existed in, on, or under the real property.

This acquisition meets the priority set forth in Government Code Section 65041.1(a) because it promotes continued use of an existing structure located in an urban-infill, already developed area served by existing utilities, public transportation, streets, and is in close proximity to the populations served.

In accordance with the Trial Court Facilities Act of 2002 (the Act), the transfer includes the same amount of parking that serviced the Court Facility in October 2001.

As a part of the Transfer Agreement, the County is reserving a tunnel easement for an existing underground tunnel between the North Main Jail to the Hall of Justice East basement. The County is exclusively responsible for the liability, operation and maintenance of the tunnel.

Funding and Cost Verification

This project is within cost. The County shall not be entitled to compensation for any equity value in the square footage occupied by the Superior Court in the Court Facility pursuant to the Trial Court Facilities Act of 2002 (the Act). The only costs associated with acceptance of this no-cost acquisition are the staff costs to process the acceptance.

CEQA

A Notice of Exemption was filed with the State Clearinghouse on November 14, 2016, and the 35-day statute of limitations expired without challenge.

Project Schedule

The anticipated close of escrow is June 2018.

Condition of Property

Phase 1 Environmental Site Assessment (ESA)—A Phase I ESA report was completed in September 2016 that included an evaluation of significant environmental, health, and safety conditions impacting the interior and exterior of the Court Facility. In preparing the Phase I ESA, a visual inspection of the Court Facility was performed to detect any apparent hazardous conditions in, on, or about the Court Facility, and the historical uses of the real property were reviewed. The report concluded there were no on-site or off-site Recognized Environmental Conditions with respect to the subject site.

Building Assessment—The Council conducted an initial site visit of the Court Facility in 2008 to assess the general condition of the property. The Judicial Council took responsibility for the facility in June 2007, and has been responsible for the operations and maintenance since that date. Staff has since made numerous additional visits to the site to monitor the condition of the court facility. The Council concludes that the court facility did not contain any apparent hazards to the health and safety of the occupants or property.

Seismic Safety Assessment—A seismic safety assessment was conducted in August 2003 and the building was determined to have a seismic safety rating of Level IV as defined in the Risk

Acceptability Table of the State Building Seismic Program developed by the Division of the State Architect. The building is transferring to the state pursuant to the provisions of Government Code Section 70324 (SB10), which provides that the county shall be responsible for any seismic related damage and injury; and, the county shall indemnify, defend, and hold the state harmless from those claims.

Other

- The Council is not aware of any lawsuits pending concerning the property.
- There is no relocation assistance, historic issues, or implied dedication associated with this transfer of title.

Staff Recommendation: **Authorize the acceptance of real property through a transfer of title.**

CONSENT ITEM

CONSENT ITEM—2

DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
WOODLAKE FOREST FIRE STATION
TULARE COUNTY

Authority: Government Code Section 14669

Consider authorizing acceptance of title for improved property subject to the terms of a lease purchase agreement

CONSENT ITEM

STAFF ANALYSIS ITEM—2

Department of Forestry and Fire Protection
Woodlake Forest Fire Station
Woodlake, Tulare County

Action Requested

If approved, the requested action will authorize acceptance of title for improved property subject to the terms of the lease purchase agreement.

Background

The Woodlake Fire Station, located in Tulare County ("County"), is an approximately 4,500 square-foot fire station with a two engine four-bay drive-through apparatus building, a six-bed dormitory, kitchen and dining area, battalion office, and public area including restrooms. The facility includes a gas and oil house with adjoining warehouse and tool room, security fencing, asphalt concrete driveway, and parking areas suitable for heavy dozer transport and dozer.

The fire station was constructed by the County. On November 24, 1992, the state, by and through the Department of General Services (DGS), entered into a lease-purchase agreement with the County that was to terminate on October 31, 2012, at which time, the County was to deed the property to the state. Legislative notification was given prior to entering into the lease purchase agreement.

The state paid for the property through monthly lease payments to the County between December 1, 1992 and October 31, 2012. Lease payments were initially at \$5,833 per month, and increased to \$7,174.25 per month in 1999, in accordance with the lease-purchase agreement. The state paid approximately \$1.5 million for the property over the term of the lease.

The property was encumbered by a Land Conservation (Williamson) Act contract dated February 23, 1977. Before accepting title to the property, the state required the contract to be cancelled, which was accomplished in August 2016.

On March 13, 2018, the County approved termination of the lease-purchase agreement and quitclaim deed for the Woodlake Fire Station.

CEQA

A Notice of Exemption was filed with the State Clearinghouse on August 15, 2016, and the 35-day statute of limitations expired without challenge.

Condition of Property

DGS staff conducted a site visit on December 9, 2015 to assess the general condition of the property. The 3-acre asymmetrical-shaped property is flat, at street level, with a slope to the southwest. A fenced onsite well, water storage tank, and water softener system compound is located in the northwest corner of the property. The sewer consists of an onsite septic system. Adjoining properties consist of orchards, agricultural land, and limited rural residential development.

A Phase I Environmental Site Assessment (ESA) report dated June 2015 indicated no evidence of recognized environmental conditions in connection with the site or adjoining properties. The ESA encountered no evidence of past or present land uses that may have generated or caused the release of hazardous material or a potential for vapor intrusion.

Staff Recommendation: **Authorize acceptance of title for improved property subject to the terms of the lease purchase agreement.**

CONSENT ITEM

CONSENT ITEM—3

DEPARTMENT OF STATE HOSPITALS (4440)
PATTON STATE HOSPITAL: NEW MAIN KITCHEN
SAN BERNARDINO COUNTY

*Authority: Chapter 47 and 48, Statutes of 2006, Item 4440-301-0660 (2), as partially
reverted in the Budget Act of 2008
Chapter 268 and 269, Statutes of 2008, Item 4440-301-0660 (2), as partially
reappropriated in the Budget Acts of 2010 and 2012*

Consider:

a) Recognizing a scope change

b) Approving an augmentation

\$2,829,000
(7.4 percent of appropriation)

CONSENT ITEM

STAFF ANALYSIS ITEM—3

Department of State Hospitals
Patton State Hospital: New Main Kitchen
San Bernardino County

Action requested

If approved, the requested action will recognize a scope change and approve an augmentation.

Scope Description

This project is not within scope. The project consists of a new single story approximately 36,000 gross square feet central kitchen facility and partial upgrade of seven Satellite Kitchens in existing buildings. The Department of State Hospitals (DSH) requests a scope change to include a drainage channel in the project. Recent rains made clear that the design did not adequately address the risk of flooding due to the location of the new main kitchen. The addition of a drainage channel will help alleviate the risk of flooding at the new main kitchen.

Funding and Project Cost Verification

This project is not within cost. The Budget Act of 2006, Item 4440-301-0660(2) and the Budget Act of 2008, Item 4440-301-0660(2), appropriated a total of \$38,083,000 for this project. The Budget Acts of 2010 & 2012 reappropriated the preliminary plans, working drawings, and construction appropriations.

DSH also requests an augmentation of \$2,829,000 (7.4 percent) in lease revenue bond authority to complete construction of the new main kitchen. The costs associated with the scope change to install a new concrete-lined drainage channel will be \$691,000.

In addition, \$2,138,000 of increased contingency is necessary to address potential change orders resulting from numerous design clarifications and corrections requested by the contractor. The project is 50 percent complete and is estimated to be completed in March 2019.

On March 23, 2018, the Department of Finance notified the chairs of the Joint Legislative Budget and the fiscal committees of each house, of its intent to approve the scope change and to recommend the Board recognize the scope change and approve the augmentation no sooner than 20 days from that date.

\$38,083,000 Total authorized project cost

\$40,912,000 Total estimated project cost

\$38,083,000 Project costs previously allocated: \$1,598,000 preliminary plans, \$3,399,000 working drawings, \$33,086,000 construction (\$23,312,000 contract, \$3,479,000 contingency, \$2,343,000 A&E, \$3,402,000 other project costs, and \$550,000 agency retained)

\$ 2,829,000 Augmentation requested: \$2,829,000 for construction (\$691,000 contract and \$2,138,000 contingency)

CEQA

A Notice of Determination was filed with the State Clearinghouse on December 20, 2007, and the 30-day statute of limitations expired without challenge.

Real Estate Due Diligence

A Summary of Conditions Letter for this project was completed on December 10, 2007, and no issues that would adversely affect the beneficial use and quiet enjoyment of the project were identified.

Project Schedule

Approve preliminary plans	October 2008
Complete working drawings	June 2015
Complete construction	March 2019

Staff Recommendation: Recognize a scope change and approve augmentation.

CONSENT ITEM

CONSENT ITEM—4

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
MEDICAL, DENTAL, AND MENTAL HEALTH TREATMENT OR HOUSING
HEALTH CARE FACILITY IMPROVEMENT PROGRAM
STATEWIDE

Authority: Sections 15819.40 (b) and (c) and 15819.401-15819.404 of the Government Code

Consider:

- a) Approving an augmentation **\$27,569,000**
(3.06 percent of appropriation)
(18.56 percent cumulative)
- b) Recognizing revised project costs for
eight Health Care Facility Improvement Program Projects

CONSENT ITEMS

STAFF ANALYSIS ITEM—4

Department of Corrections and Rehabilitation
Health Care Facility Improvement Program
Statewide

Action requested

If approved, the requested action would approve an augmentation and would recognize revised project costs for eight Health Care Facility Improvement Program Projects, as shown in Table 1.

Scope Description

These projects are within scope. The Department of Corrections and Rehabilitation (CDCR) have statewide projects to design and construct medical, dental, and mental health treatment or housing space at existing prison facilities. Nine projects provide a range of mental health services, such as Enhanced Outpatient Program treatment and office space, Intermediate Care Facilities, psychiatric services, and mental health crisis beds. These nine mental health projects have been completed.

The Health Care Facility Improvement Program (Program) projects are part of CDCR's strategy to address statewide prison health care system deficiencies. The Board established 25 Program projects to support health care operations by improving the infrastructure necessary to provide a variety of health care services, including primary care, specialty care, laboratory, medication distribution, pharmacy, health records storage, and related health care administration.

Funding and Cost Verification

These projects are not within cost. Section 15819.403 (a) of the Government Code appropriated \$1,046,579,000 which was reduced by Section 15820.104 (a) by \$146,160,000. The net appropriation of \$900,419,000 was allocated from lease revenue bond financing authority to CDCR to design and construct medical, dental, and mental health treatment or

housing space at existing prison facilities. The Board allocated \$193.1 million from this appropriation for the nine projects addressing mental health services.

The remaining \$707,283,000 within the appropriation has been allocated for the 25 Program projects. To date, this appropriation has been augmented by \$139,536,000 for Program projects (15.5 percent) and CDCR is now requesting a further augmentation in the amount of \$27,569,000 (18.5 percent). The augmentations for these eight projects face critical time constraints, with the risk of construction being interrupted because of an inability to approve necessary construction contract change orders. The augmentation requests cover cost increases for eight projects, as shown in Table 1:

Table 1. Program Augmentation Requests		
Program Projects	Cost Increases	Revised Project Cost
California Correctional Institution HCFIP	\$ 3,578,000	\$34,771,000
California Institution for Women HCFIP	\$ 1,901,000	\$26,221,000
Deuel Vocational Institution HCFIP	\$ 1,371,000	\$28,627,000
High Desert State Prison HCFIP	\$ 2,488,000	\$25,157,000
Mule Creek State Prison HCFIP	\$ 1,942,000	\$45,877,000
North Kern State Prison HCFIP	\$ 7,593,000	\$42,764,000
Substance Abuse Treatment Facility HCFIP	\$ 1,115,000	\$22,508,000
Wasco State Prison HCFIP	\$ 7,581,000	\$53,133,000
Total	\$27,569,000	

Project costs have escalated for a number of reasons, including but not limited to:

- **Poor design performance**—A myriad of construction contract changes attributed to design errors and omissions include, but are not limited to: incorrect design details for connections to existing utilities (electrical, water, sewer, storm drain, and data infrastructure connections); incorrect design details for tie-ins to existing mechanical, electrical, and fire protection systems when renovating or expanding existing buildings; failure to identify existing walls and corridors that need to be upgraded to meet current code requirements; failure to identify structural masonry walls and foundations that require additional reinforcement; and failure to plan for code-compliant paths of travel.
- **Compliance with fire/life/safety requirements**—After the initial approval of construction documents at various project sites, existing site conditions led the State Fire Marshal to require fire-rated walls and ceilings and additional fire/life/safety modifications during the construction phase.
- **Extended Construction Duration**—Project schedule durations have increased, driving extended job costs for general contractors. The project construction durations have increased because of two primary issues: (1) extensive needs for clarifications and redesign for issues outlined above, and (2) failure to adequately plan for continuity of medical services during construction activities. Longer construction durations also increase costs for construction support services, such as project, program, and construction management and inspection services.

On March 23, 2018, the Department of Finance notified the chairs of the Joint Legislative Budget and the fiscal committees of each house, of its intent to recommend the Board approve it no sooner than 20 days from that date.

\$1,039,955,000 Total authorized project cost

\$1,067,524,000 Total estimated project cost

\$1,039,955,000 Project costs previously allocated: \$36,466,000 for preliminary plans, \$48,511,000 for working drawings, and \$954,978,000 for construction (\$651,408,000 contract, \$39,592,000 contingency, \$52,520,000 A&E, \$82,450,000 other project costs, and \$129,008,000 agency retained items)

\$27,569,000 Augmentation requested: \$27,569,000 for construction (\$14,136,000 contract, \$848,000 contingency, \$1,808,000 A&E, \$3,919,000 other project costs, and \$6,858,000 agency retained)

CEQA

Notices of Exemption were filed with the State Clearinghouse on various dates, and the 35-day statute of limitations expired without challenge.

Real Estate Due Diligence

A Summary of Conditions Letter for these projects were completed on various dates, and no issues that would adversely affect the beneficial use and quiet enjoyment of these projects were identified.

Project Schedule

Approval of preliminary plans	Various
Completion of working drawings	Various
Start construction	Various
Complete construction	Various

Staff Recommendation: **Approve augmentation and recognize revised project costs for eight Health Care Facility Improvement Program Projects, as shown in Table 1.**

CONSENT ITEM

CONSENT ITEM—5

**MILITARY DEPARTMENT (8940)
LOS ALAMITOS NATIONAL GUARD READINESS CENTER
ORANGE COUNTY**

*Authority: Chapters 23, Statutes of 2016, Item 8940-301-0001 (8)
Chapters 14, 22, and 54, Statutes of 2017, Item 8940-301-0660 (2)*

Consider approving preliminary plans

CONSENT ITEM

STAFF ANALYSIS ITEM—5

Military Department
Los Alamitos National Guard Readiness Center
Orange County

Action Requested

If approved, the requested action will approve preliminary plans.

Scope Description

This project is within scope. The authorized scope for this project includes the construction of an approximately 30,000 square foot National Guard Readiness Center at the National Guard Joint Forces Training Base in Los Alamitos, California. The new facility will serve as a Readiness Center for the National Guard, support the day-to-day operations of the Office of Emergency Services (OES) emergency management programs, and provide a back-up State Operations Center and State Warning Center for both OES and the Military Department. The proposed facility will include the necessary components of a National Guard Armory, thereby qualifying for ongoing federal funding for operations. The facility will allow for continuous monitoring of emergency events and enable unified, coordinated response efforts between federal agencies, state agencies and local partners in the critical Southern California region.

Funding and Cost Verification

This project is within cost. A total of \$26,559,000 has been appropriated for this project. Based on the completed preliminary plans, the estimated total project costs are consistent with the authorized project costs as shown below.

\$26,559,000 Total authorized project costs.

\$26,559,000 Total estimated project costs.

\$26,559,000 Costs previously allocated: \$570,000 for preliminary plans, \$1,284,000 for working drawings, and \$24,705,000 for construction.

CEQA

A Notice of Determination was filed with the State Clearing House on March 5, 2015, and the 30-day statute of limitations will expire on April 4, 2018.

Real Estate Due Diligence

A Real Estate Due Diligence letter for this project was completed on February 7, 2018, and unresolved issues were identified that require resolution as we move forward with the project. Specifically, the property is owned by the U.S. Department of the Army; however, the Military Department is authorized to operate, manage, use, and occupy the site for an indefinite term by license agreement. The Military Department is currently working with the U.S. Department of the Army to execute a long-term ground lease between the Army Corps of Engineers and the State of California, which will provide the state with exclusive, non-revocable use of the property. On January 25, 2018, the Deputy Assistant Secretary of the Army provided direction to the Army Corps of Engineers to execute and deliver the ground lease to the state. It is anticipated that the lease agreement will be finalized prior to the completion of working drawings.

Project Schedule

Approve Preliminary Plans	February 2018
Complete Working Drawings	April 2018
Start construction	August 2018
Complete Construction	April 2020

Staff Recommendation: Approve preliminary plans.

ACTION ITEM

ACTION ITEM—1

**HIGH SPEED RAIL AUTHORITY (2665)
INITIAL OPERATING SEGMENT, SECTION 1
VARIOUS COUNTIES**

*Authority: Chapter 152, Statutes of 2012, Item 2665-306-0890 (1)
Chapter 152, Statutes of 2012, Item 2665-306-6043 (1)
Chapter 25, Statutes of 2014, Item 2665-306-3228 (1)
Section 39719(b)(2) of the Health and Safety Code
Section 39719.1 of the Health and Safety Code
Section 15853 of the Government Code*

Consider authorizing site selection of three assessors parcels in full or in part.

High Speed Rail Authority Parcel Number	Assessor Parcel Number
Fresno County	
FB-10-0308	334-310-52
Kings County	
FB-16-0916	002-120-054
FB-16-0392	014-230-088

ACTION ITEM

STAFF ANALYSIS ITEM—1

High Speed Rail Authority
Initial Operating Segment, Section 1
Various Counties

Action Requested

If approved, the requested action would authorize site selection of three assessors parcels in full or in part.

Scope Description

This project is within scope. The Initial Operating Segment, Section 1 (IOS-1) is expected to be approximately 120 miles starting from Madera and extending southward almost to Bakersfield. This initial section includes the realignment of Highway 99 in Fresno, construction of a bridge over the San Joaquin River, several grade separations, two viaducts and the acquisition of approximately 1,600 parcels. The IOS-1 is the first construction phase of the High Speed Train System (HSTS). The HSTS consists of Phase 1, which would provide 520 miles of the HSTS extending from San Francisco to Los Angeles/Anaheim, and Phase 2, which would extend the system to Sacramento and San Diego.

Funding and Project Cost Verification

This project is within cost. Chapter 152, Statutes of 2012, appropriated \$5.850 billion (\$2.609 billion High Speed Passenger Train Fund and \$3.241 billion federal funds) and Chapter 25, Statutes of 2014 provided an additional \$191.4 million Greenhouse Gas Reduction Fund for the IOS-1. In addition, Health and Safety Code section 39719 (b)(2) appropriates 25 percent of the annual proceeds of the Greenhouse Gas Reduction Fund for the Phase 1 Blended System and Health and Safety Code section 39719.1 authorizes repayment of a \$400 million General Fund loan from the Greenhouse Gas Reduction Fund for the Phase 1 Blended System. The IOS-1 is a component of the Phase 1 Blended System.

Background

To date, the Board has site-selected approximately 1,600 parcels comprising approximately 120 miles from Madera to near Bakersfield. This total does not reflect properties associated with right-of-way transfer agreements with local government.

Parcel 334-310-52 is needed for a temporary construction easement near Clayton Avenue in Fresno County. Parcel 002-120-054 is needed for an access easement to prevent an adjacent parcel near 9th Avenue and the Kings River from becoming landlocked by the HSTS. Parcel 014-230-088 is needed for improvements along the San Joaquin Valley Railroad near the City of Hanford.

For these properties, the CEQA and NEPA processes were completed in 2014. Consistent with corridor based projects, minimal real estate due diligence has occurred to date as the alignment determines which properties must be acquired and any abatement or title issues will be resolved during or shortly after acquisition.

Staff Recommendation: **Authorize site selection of three assessors parcels in full or in part.**

ACTION ITEM

ACTION ITEM—2

**HIGH SPEED RAIL AUTHORITY (2665)
INITIAL OPERATING SEGMENT, SECTION 1
FRESNO COUNTY**

*Authority: Chapter 152, Statutes of 2012, Item 2665-306-0890 (1)
Chapter 152, Statutes of 2012, Item 2665-306-6043 (1)
Chapter 25, Statutes of 2014, Item 2665-306-3228 (1)
Section 39719(b)(2) of the Health and Safety Code
Section 39719.1 of the Health and Safety Code
Section 15854 of the Government Code*

Consider the adoption of one amended Resolution of Necessity authorizing the use of eminent domain to acquire the following property:

**Grewal Property (Fresno County)
RON 2014-0415**

**Authority Parcel Numbers: FB-10-0462-1, FB-10-0462-7, FB-10-0462-8, FB-10-0462-9,
FB-10-0462-11, and FB-10-0462-02-01**

Assessor Parcel Numbers: 056-030-39S and 056-030-41S

ACTION ITEM

STAFF ANALYSIS ITEM—2

High Speed Rail Authority
Initial Operating Segment, Section 1
Fresno County

Action Requested

If approved, the requested action would adopt one amended Resolution of Necessity (RON) authorizing the use of eminent domain.

Grewal Property: On December 8, 2017, the Board adopted RON 2014-0415, authorizing the use of eminent domain to acquire the Grewald property in Fresno County. Subsequent to that action, it was determined that the RON contained an error in the legal description of the subject property. The amended RON would correct that error.

On March 23, 2018, a Notice of Intent to adopt an amended Resolution of Necessity was mailed to the property owner. This notice was sent in accordance with Code of Civil Procedure section 1245.235.

Staff Recommendation: Adopt one amended Resolution of Necessity authorizing the use of eminent domain.

ACTION ITEM

ACTION ITEM—3

**HIGH SPEED RAIL AUTHORITY (2665)
INITIAL OPERATING SEGMENT, SECTION 1
KINGS COUNTY**

*Authority: Chapter 152, Statutes of 2012, Item 2665-306-0890 (1)
Chapter 152, Statutes of 2012, Item 2665-306-6043 (1)
Chapter 25, Statutes of 2014, Item 2665-306-3228 (1)
Section 39719(b)(2) of the Health and Safety Code
Section 39719.1 of the Health and Safety Code
Section 15854 of the Government Code*

Consider the adoption of four Resolutions of Necessity authorizing the use of eminent domain to acquire the following properties:

- 1. River Ranch Farms Property (Kings County)**
Authority Parcel Number: FB-16-0753-1
Assessor Parcel Number: 385-170-06s
- 2. Headrick Property (Kings County)**
Authority Parcel Number: FB-16-0755-1
Assessor Parcel Number: 028-050-015
- 3. Brazil Property (Kings County)**
Authority Parcel Numbers: FB-16-0775-1 and FB-16-0775-2
Assessor Parcel Number: 016-200-048
- 4. J.L. Fragoso Cattle Company Property (Kings County)**
Authority Parcel Numbers: FB-16-0172-1, FB-16-0471-1, and FB-16-0472-2
Assessor Parcel Number: 016-200-053

ACTION ITEM

STAFF ANALYSIS ITEM—3

High Speed Rail Authority
Initial Operating Segment, Section 1
Kings County

Action Requested

Adopt four Resolutions of Necessity authorizing the use of eminent domain to acquire properties totaling approximately 2 acres.

Scope Description

This project is within scope. The Initial Operating Segment, Section 1 (IOS-1) is expected to be approximately 120 miles starting from Madera and extending southward almost to Bakersfield. This initial section includes the realignment of Highway 99 in Fresno and relocation of railroad lines, the construction of bridges over the San Joaquin and Fresno Rivers as well as other waterways, several dozen grade separations, multiple viaducts and trenches, and the acquisition of approximately 1,600 parcels. The IOS-1 is the first construction phase of the High Speed Train System (HSTS). The HSTS consists of Phase 1, which would provide 520 miles of the HSTS extending from San Francisco to Los Angeles/Anaheim, and Phase 2, which would extend the system to Sacramento and San Diego.

Funding and Cost Verification

This project is within cost. Chapter 152, Statutes of 2012, appropriated \$5.850 billion (\$2.609 billion High Speed Passenger Train Fund and \$3.241 billion federal funds) and Chapter 25, Statutes of 2014 provided an additional \$191.4 million Greenhouse Gas Reduction Fund for the IOS-1. In addition, Health and Safety Code section 39719 (b)(2) appropriates 25 percent of the annual proceeds of the Greenhouse Gas Reduction Fund for the Phase 1 Blended System and Health and Safety Code section 39719.1 authorizes repayment of a \$400 million General Fund loan from the Greenhouse Gas Reduction Fund for the Phase 1 Blended System. The IOS-1 is a component of the Phase 1 Blended System.

Background

In order to adopt a Resolution of Necessity that is required to initiate the eminent domain proceedings, the Board must consider that the following conditions have been met:

- (A) The public interest and necessity require the project;
- (B) The project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury;
- (C) The property sought to be acquired is necessary for the project; and,
- (D) The offer required by Government Code section 7267.2 has been made to the owner or owners of record.

In 2008 the voters of California approved Proposition 1a, authorizing monies from the High-Speed Passenger Train Bond fund in support of this Project. In 2009 and 2010 the federal government approved funds in support of the portion of this Project extending from San Francisco to Anaheim, and in 2012 and 2014, through Chapter 152, Statutes of 2012 and Chapter 25, Statutes of 2014, the Legislature appropriated funds for the acquisition and design-build phases of the IOS-1 of the Project, extending from Madera to just north of Bakersfield.

The Property Acquisition Law, commencing with section 15850 of the Government Code, authorizes the Board to select and acquire in the name of the State of California (State) with the consent of the State agency concerned, the fee or any lesser right or interest in any real property necessary for any State purpose or function. This law also authorizes the Board to acquire property by condemnation, in the manner provided for in Title 7 (commencing at section 1230.010) of Part 3 of the Code of Civil Procedure.

Each of the properties is within the right of way for IOS-1 and was site selected at previous Board meetings. The site selections took place after an environmental review process where it was determined that any alternative alignment would include the selected parcels, or where a preferred alignment had already been approved by both the High Speed Rail Authority Board and the Federal Railroad Administration. Acquisition of these properties will allow the High Speed Rail Authority to move forward with construction of the HSTS.

Between September 2017 and January 2018, the various owners were provided with a first written offer to purchase the subject property, as required by Government Code section 7267.2. Negotiations to acquire the properties are continuing; however, in order to keep the project on schedule, the adoption of Resolutions of Necessity to authorize the use of eminent domain is required.

On March 23, 2018, Notices of Intent to adopt a Resolution of Necessity were mailed to the respective property owners. These notices were sent in accordance with Code of Civil Procedure section 1245.235.

Property Specific Information:

1. River Ranch Farms Property (Kings County)
Authority Parcel Number: FB-16-0753-1
Assessor Parcel Number: 385-170-06s
Partial Acquisition: Approximately 0.44 acre in easement

This property will be needed for a ditch easement to realign the existing canal outside the HSTS between Idaho Avenue and Jackson Avenue.

2. Headrick Property (Kings County)
Authority Parcel Number: FB-16-0755-1
Assessor Parcel Number: 028-050-015
Partial Acquisition: Approximately 1.16 acres in easement

This property also will be needed for a ditch easement to realign the existing canal outside the HSTS between Idaho Avenue and Jackson Avenue.

3. Brazil Property (Kings County)
Authority Parcel Numbers: FB-16-0775-1 and FB-16-0775-2
Assessor Parcel Number: 016-200-048
Partial Acquisition: Approximately .09 acre total in easement

This property will be needed for a temporary construction easement along the HSTS between Houston Avenue and Iona Avenue.

4. J.L. Fragoso Cattle Company Property (Kings County)
Authority Parcel Numbers: FB-16-0172-1, FB-16-0471-1, and FB-16-0472-2
Assessor Parcel Number: 016-200-053
Partial Acquisition: Approximately .06 acre total (.06 acre in fee, <.01 acre in easement)

This property will be needed for the construction of the Houston Avenue grade separation.

Staff Recommendation: **Adopt four Resolutions of Necessity authorizing the use of eminent domain to acquire properties totaling approximately 2 acres.**

ACTION ITEMS

ACTION ITEM—4

**HIGH SPEED RAIL AUTHORITY (2665)
INITIAL OPERATING SEGMENT, SECTION 1
TULARE COUNTY**

*Authority: Chapter 152, Statutes of 2012, Item 2665-306-0890 (1)
Chapter 152, Statutes of 2012, Item 2665-306-6043 (1)
Chapter 25, Statutes of 2014, Item 2665-306-3228 (1)
Section 39719(b)(2) of the Health and Safety Code
Section 39719.1 of the Health and Safety Code
Section 15854 of the Government Code*

Consider rescinding the following Resolution of Necessity (RON) authorizing the use of eminent domain to acquire the following property:

1) RON 2015-0124, adopted August 2017

Sandridge Partners Property (Tulare County)

Authority Parcel Numbers: FB-54-0501-1, FB-54-0502-1, FB-54-0502-2, FB-54-0502-3, FB-54-0502-4, FB-54-0502-5, FB-54-0502-01-01, FB-54-0507-1, FB-54-0507-2, FB-54-0507-3, FB-54-0507-4, FB-54-0507-5, FB-54-0507-6, FB-54-0507-7, FB-54-0507-8, FB-54-0507-9, FB-54-0508-1, FB-54-0508-01-01; FB-54-0509-1, FB-54-0510-1, FB-54-0510-2, FB-54-0510-3, FB-54-0510-4, FB-54-0510-5, FB-54-0510-01-01, FB-54-0513-1, FB-54-0513-2, FB-54-0513-3, FB-54-0513-4, FB-54-0513-5, FB-54-0533-1, FB-54-0534-1, and FB-54-0535-1

Assessor Parcel Numbers: 291-060-001, 291-060-016, 291-070-010, 291-070-012 (formerly designated as 291-070-002), 291-100-003, and 291-110-003

ACTION ITEMS

STAFF ANALYSIS ITEM—4

High Speed Rail Authority
Initial Operating Segment, Section 1
Tulare County

Action Requested

If approved, the requested action would rescind one RON authorizing the use of eminent domain.

Sandridge Partners Property: On August 14, 2017, the Board adopted Resolution of Necessity 2015-0124 authorizing the use of eminent domain to acquire a portion of the Sandridge Partners property. Since that time, there has been design development that affects the nature of this acquisition and requires that the owner be provided a new first written offer.

Staff Recommendation: Approve the rescission of the one RON authorizing the use of eminent domain.

OTHER BUSINESS

NONE

REPORTABLES

TO BE PRESENTED AT MEETING